

# NEWS RELEASE



## STATE OF ALABAMA Department of Industrial Relations

News For Immediate Release

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### INDUSTRIAL RELATIONS TARGETS WORKERS' COMPENSATION FRAUD

MONTGOMERY, ALABAMA, February 14, 2003. . . . . The Alabama Department of Industrial Relations is stepping up its efforts to pursue indictments and arrests of those who allegedly draw workers' compensation benefits illegally.

"We have formed a fraud unit within our Workers' Compensation Division to target employers or insurance companies that may be breaking workers' compensation laws," says Phyllis Kennedy, director of the Alabama Department of Industrial Relations. "This signals a commitment to sharpen our focus in addressing workers' compensation fraud on a daily basis, thereby serving notice that such abuse of workers' compensation will not be tolerated. "

Kennedy recently made staff adjustments transferring the fraud unit from the Audit, Compliance, Fraud, and Examination Division into the Workers' Compensation Division. Michael Meyer, who dealt with workers' compensation fraud within that division, will administer the new Workers' Compensation Fraud Unit.

"Meyer will be able to concentrate his efforts exclusively on workers' compensation fraud," says Scottie Spates, Workers Compensation Division director. "He previously divided his time between both workers' compensation fraud and unemployment compensation fraud."

Spates says he will be working closely with Meyer, as will Joseph Ammons, another Workers' Compensation Division attorney, and Darrell Jones, a fraud investigator.

"Our agency will continue to cooperate with local District Attorney offices and the Alabama Attorney General's Office in combating fraud," says Kennedy. "The successful prosecution of cases will help to insure that more money is available to those citizens that are truly entitled to receive workers' compensation benefits."

A toll-free telephone number, 1-800-923-2533, may be used to report suspected workers' compensation fraud.

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Industrial Relations is an umbrella organization of State government which administers: the State Employment Service, Unemployment Insurance, Workers' Compensation, and Labor Market Information. Smaller programs also administered include Abandoned Mine Land Reclamation, Mine Safety and Inspection, and Surface Mining of Non-Fuel Minerals.